

# COUNTY OF LOS ANGELES

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## DEPARTMENT OF MENTAL HEALTH

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March 19, 2007

TO: Each Supervisor

FROM: Marvin J. Southard, D.S.W.  
Director of Mental Health

SUBJECT: **ADVANCE NOTIFICATION OF INTENT TO ENTER INTO A SOLE SOURCE CONTRACT NEGOTIATION WITH THE UNIVERSITY OF SOUTHERN CALIFORNIA**

This memo is to comply with the Chief Administrative Officer, David E. Janssen's September 1999 letter regarding contracting policy requirements for sole source contracts. It is the Department of Mental Health's (DMH) intent to enter into sole source contract negotiations with the University of Southern California (USC) to amend its current contract.

These negotiations are intended to enable USC to take a major role in the design of an Urgent Care Center (UCC) affiliated with the Los Angeles County + University of Southern California (LAC+USC) Medical Center and to be located in proximity to the LAC+USC Medical Center's Psychiatric Emergency Services (PES). This UCC is envisioned as a collaborative effort among DMH, which would fund and contract for the program; the Department of Health Services (DHS), which would provide facility space and related costs; and USC, which would be responsible for program operations including integration with other DHS services and community-based resources. The first phase of implementation is contemplated for July 1, 2007, when services would be offered during the regular work week, with full 24-hour per day/7-day per week operations projected for November 2007.

The proposed amendment would permit USC, through the provision of UCC Program Development Services, to participate in developing the UCC program design, budget, operational details, policies and procedures, staffing and staff training, and implementation timeline. Implementation of the UCC Program Development Services will facilitate an academic-public partnership in the development of the LAC+USC UCC that will positively impact the quality, efficiency and effectiveness of the UCC services to be developed.

*"To Enrich Lives Through Effective And Caring Service"*

The proposed amendment is consistent with the PES Relief Plan (Plan) developed by the Departments of Mental Health and Health Services in conjunction with the Chief Administrative Office. The Plan includes UCCs, strategically located throughout the County, to relieve the overcrowding of the County PES and to provide community-based alternatives to hospitalization for individuals in crisis who could be stabilized with intensive outpatient services. Since September 2004, DMH has implemented two directly operated UCCs, Augustus F. Hawkins and Olive View, and one contracted UCC, the Westside UCC, which opened in December 2006.

The one-time Fiscal Year (FY) 2006-2007 cost of UCC Program Development Services is \$300,000 of unexpended Mental Health Services Act (MHSA) funding carried forward from FY 2005-2006, bringing the revised Total Contract Amount for FY 2006-2007 to \$526,200.

USC is uniquely qualified to provide these Program Development Services in that it currently provides the LAC+USC Medical Center inpatient and outpatient mental health services under contract with DHS. DMH plans to return to the Board at a later date for authority to contract with USC for that entity to also provide the UCC. A key element of the LAC+USC UCC would be to ensure integration with other services at the Medical Center as well as with the larger community of mental health providers, including the recently implemented Full Service Partnerships and other programs funded by the MHSA. The UCC services would include internships and residency training in community psychiatry and urgent care services for psychiatrists and psychologists as well as training opportunities for social work, nursing, rehabilitation and other professions. Accordingly, it is critical that USC, through the proposed amendment to the Affiliation Agreement, is able to take a major role in developing the LAC+USC UCC program design over the coming months.

Unless otherwise instructed by your Board within the next two weeks, DMH will proceed with negotiating the sole source contract. DMH will work closely with both the Office of the County Counsel and the Chief Administrative Office in amending the current contract with USC.

MJS:JCA:LG:lg

c: Chief Administrative Officer  
Executive Officer, Board of Supervisors  
County Counsel